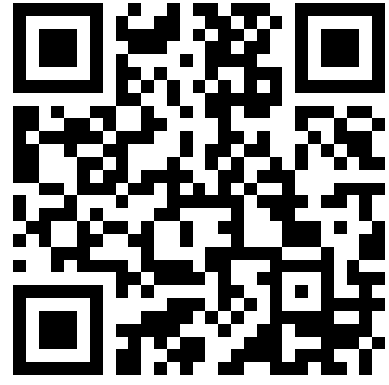


The Public Domain in 1953

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

FOREWORD

The strength of our Nation lies in its natural resources and their use. Our population doubled and our economic output increased 5-fold from 1900 to 1950. As a result, we have drawn heavily on our resources. Ample resources have been basic to our material well-being. The future will surely bring further increases in population, further economic growth, and still greater demands on our natural resources.

The Federal Government is and always has been the largest landowner in the United States. Nearly three-fourths of all land belonged once to the Federal Government; two-thirds of it has been disposed of to private persons and States. The remainder of the original public domain, plus about 50 million acres of "acquired land", comprises about one-fourth of the total area of the States, and is administered by more than a score of Federal agencies. Much of it has been permanently reserved for Federal management, in national forests, national parks, and the like.

This graphic report is concerned with that part of the original public domain which is administered by the Bureau of Land Management, and also certain other lands, such as the "O and C" lands of western Oregon. Nearly 40 percent of all Federal land, or nearly 10 percent of all land of all ownerships in the United States, comes in this category.

As the charts show, this remaining public domain is valuable, is greatly sought after by the public, and produces large revenues to the national Treasury and to the States. Though the driest and least attractive area of the Nation, it is nevertheless today highly valuable. The potentialities for the future are even greater. The Federal Government clearly has an obligation to manage its lands for their maximum contribution to national welfare.

The public domain is used by private individuals. Its resources are translated into useful products only by use of private capital, private initiative, and labor.

This report seeks to present briefly a few facts significant to the administration and management of the remaining public domain.

Marion Clawson

Director, Bureau of Land Management

THE ORIGIN OF THE PUBLIC DOMAIN

Within a span of 70 years the United States of America--a new nation--acquired sovereignty over a vast "empire" of 2 billion acres, spanning the North American continent from the Atlantic to the Pacific. Through acquisition by treaties and purchase the United States became owner of a huge estate--mostly in the Midwest, West and Alaska--known as the "public domain." The original public domain covered 1 billion 400 million acres in the continental United States and 365 million acres in Alaska.

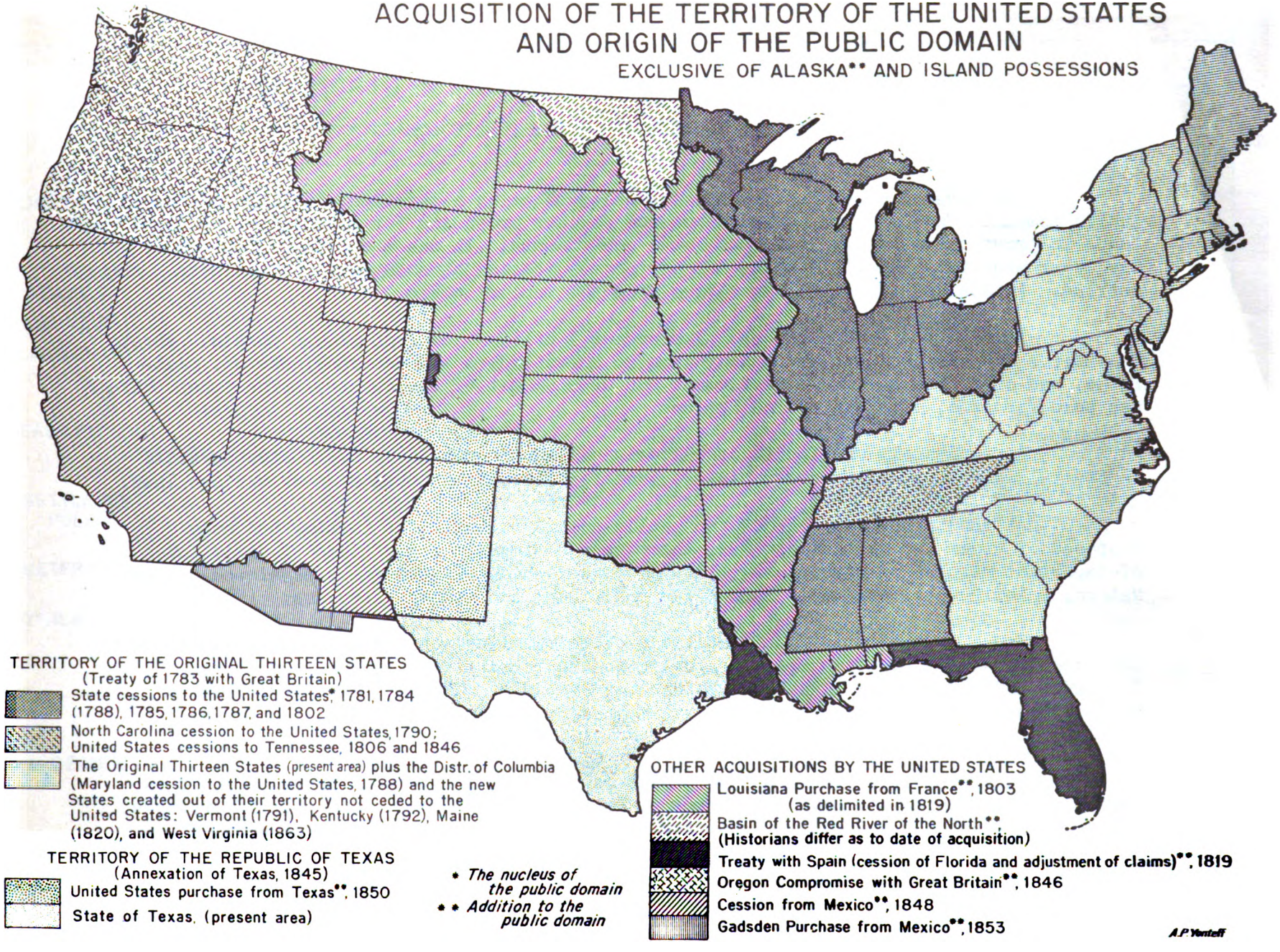
The territory of the original Thirteen States--from which a total of 18 states were ultimately carved--and Texas were never part of the public domain.

BASIC DATA ON THE ACQUISITION OF THE PUBLIC DOMAIN

How Acquired	Land Area	Cost of Acquisition
	Acres	
State cessions (1781-1802)	233,416,680	$ 6,200,000
Louisiana Purchase (1803)	523,446,400	23,213,568
Red River Basin	29,066,880	-
Cession from Spain (1819)	43,342,720	6,674,057
Oregon Compromise (1846)	180,644,480	-
Mexican Cession (1848)	334,479,360	16,295,149
Purchase from Texas (1850)	78,842,880	15,496,448
Gadsden Purchase (1853)	18,961,920	10,000,000
Total States	1,442,200,320	$77,879,222
Alaska Purchase	365,481,600	$ 7,200,000

ACQUISITION OF THE TERRITORY OF THE UNITED STATES AND ORIGIN OF THE PUBLIC DOMAIN

EXCLUSIVE OF ALASKA** AND ISLAND POSSESSIONS



TERRITORY OF THE ORIGINAL THIRTEEN STATES
(Treaty of 1783 with Great Britain)

- State cessions to the United States*, 1781, 1784 (1788), 1785, 1786, 1787, and 1802
- North Carolina cession to the United States, 1790; United States cessions to Tennessee, 1806 and 1846
- The Original Thirteen States (present area) plus the Distr. of Columbia (Maryland cession to the United States, 1788) and the new States created out of their territory not ceded to the United States: Vermont (1791), Kentucky (1792), Maine (1820), and West Virginia (1863)

TERRITORY OF THE REPUBLIC OF TEXAS
(Annexation of Texas, 1845)

- United States purchase from Texas**, 1850
- State of Texas, (present area)

OTHER ACQUISITIONS BY THE UNITED STATES

- Louisiana Purchase from France**, 1803 (as delimited in 1819)
- Basin of the Red River of the North**, (Historians differ as to date of acquisition)
- Treaty with Spain (cession of Florida and adjustment of claims)**, 1819
- Oregon Compromise with Great Britain**, 1846
- Cession from Mexico**, 1848
- Gadsden Purchase from Mexico**, 1853

* *The nucleus of the public domain*

** *Addition to the public domain*

A.P. Yonteff

Map BLM-W-LR-2

DISPOSAL AND MANAGEMENT OF THE PUBLIC DOMAIN

The Federal Government had no intention of being a permanent landlord of the public domain. The Congress passed thousands of laws providing for disposal of public lands to private owners and State and local governments. It was the clear intention of the Government to create new States out of the territories as soon as the areas were settled. A total of 29 States was carved from the public domain.

In all, the Government has disposed of 1 billion acres of public domain. About two-thirds of this area was given away free to homesteaders and veterans, States, railroads, and others to encourage settlement and development of the country. The other third was sold for cash, often at nominal prices.

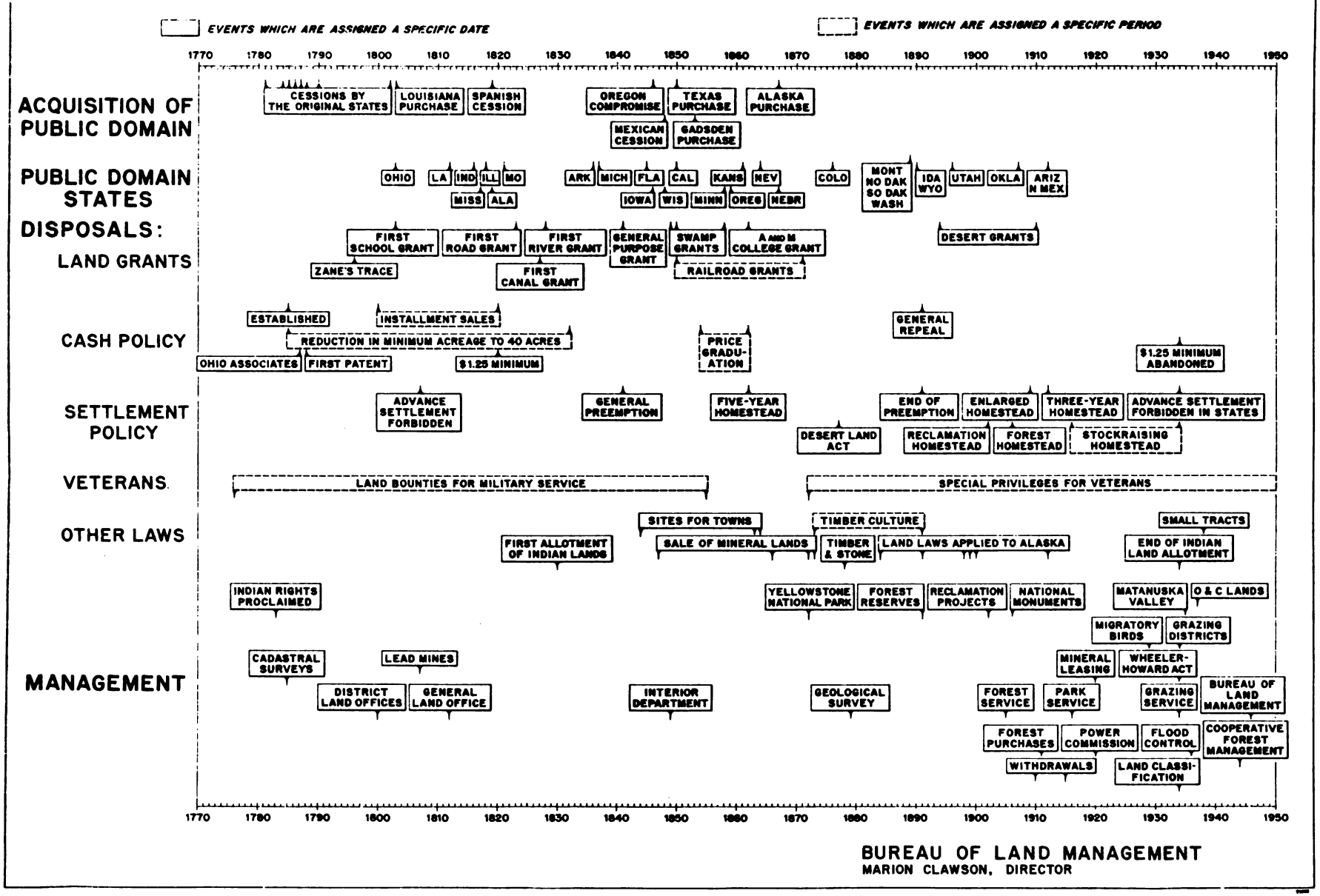
Approximately one-fourth of the original public domain in the States is still in Federal ownership and Congress has provided for its administration under various laws.

At about the time most of the public domain suitable for farming had been disposed of under the settlement laws, there were noticeable indications of depletion of important natural resources. A policy of conservation was gradually developed by the Nation, chiefly with respect to park areas and forage and timber resources.

One of the earliest manifestations of this policy was the reservation for public management of certain areas of public domain valuable for various resources. The first major reservation was Yellowstone Park in 1872. The National Forest system was started in 1891. Both received great impetus in the late 1920's and the early 1930's.

Other resource management on public lands which received emphasis during this period included water and power development, establishment of important wildlife refuges, the organization of grazing districts, and increased emphasis on mineral development.

= HIGHLIGHTS IN THE HISTORY OF THE PUBLIC DOMAIN =



BUREAU OF LAND MANAGEMENT
MARION CLAWSON, DIRECTOR

TRENDS IN FEDERAL LAND HOLDINGS

A graph of Federal land holdings in the States shows four rather clearly defined periods or trends. From 1781 to 1803 total Federal ownership rapidly increased through the acquisition of territories, and far outstripped disposal activities. From 1803 to 1845, due to settlement in the territories, disposals exceeded to a relatively small extent the acquisition of new land. Between 1846 and 1850 several new territories were added and the Government reached its peak in land holdings...1 billion 200 million acres. After that peak, disposals steadily and consistently reduced the area in Federal ownership to below 500 million acres.

The last period, starting in the late 1920's or early 1930's, is one in which accession of "acquired lands" exceeded disposals of public domain, resulting in a minor increase in Federal ownership. This reflects, principally, the period of Federal land-adjustment programs and defense activities.

APPROXIMATE AREA OF FEDERAL LANDS IN THE STATES 1781-1950

WITH DATES OF IMPORTANT ACQUISITIONS AND LAWS

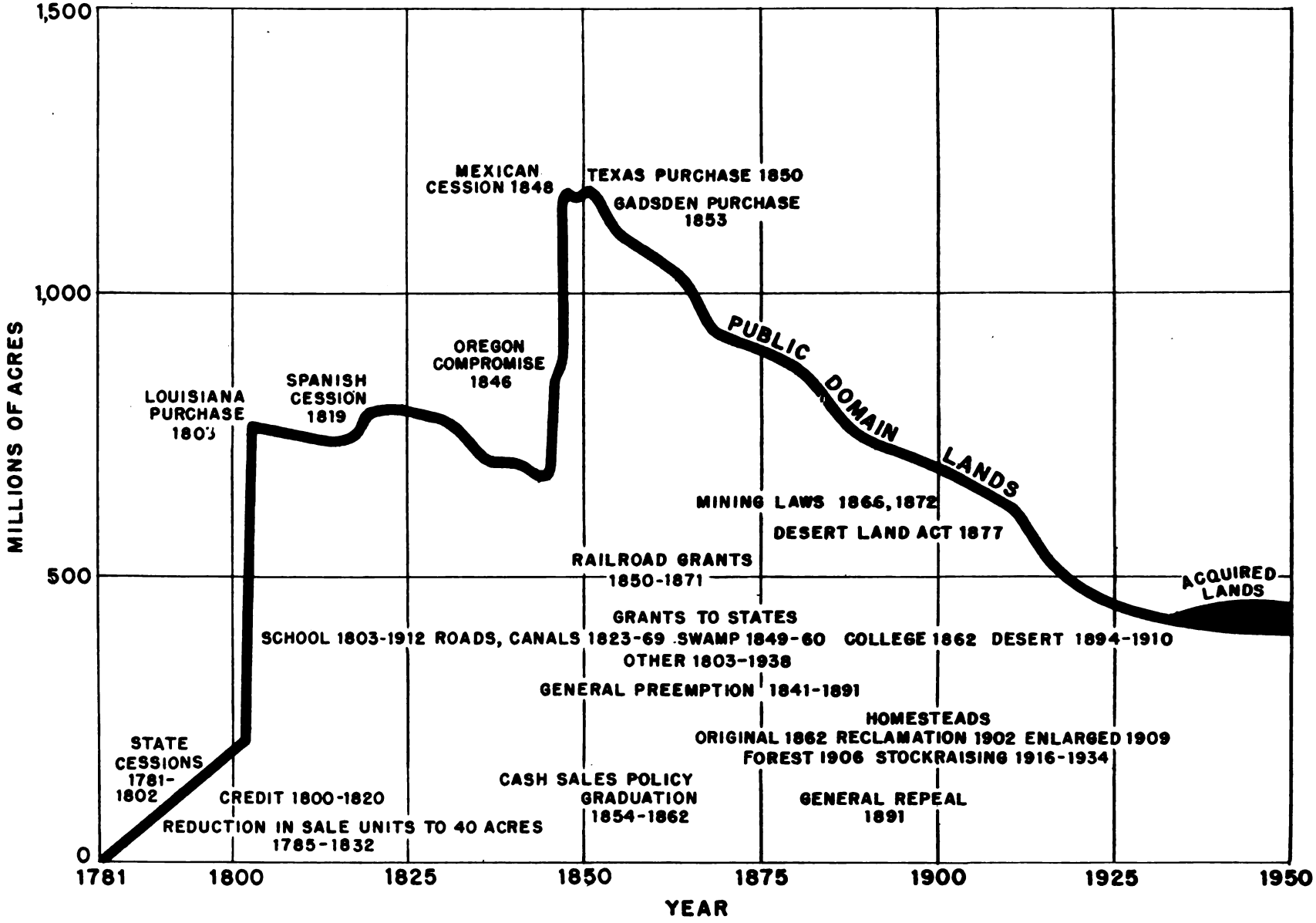


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Chart BLM-W-LR-23

DISTRIBUTION OF FEDERALLY-OWNED LANDS

The area of Federal lands in the States at present is a little more than 450 million acres, or approximately one-fourth of the total area of the Nation. Of this, 90 percent of the lands are public domain in continuous Federal ownership since the early days of the Republic and 10 percent are acquired lands. The bulk of the public domain is in the 11 Western States, while the great portion of the acquired lands is in the other States. Most of the public-domain lands are rough, mountainous, arid, and semiarid regions in the Far West that were not suitable for disposal under the settlement laws. The acquired lands vary much more in characteristics and quality, but were usually acquired by the Government to fill specific needs.

Federal holdings are located in all the states and vary from 85 percent of the area of Nevada to .3 percent of Iowa. Almost 90 percent of all Federal lands in the States are located in the 11 Far Western States, where the Federal Government owns 54 percent of the total area. Federal lands comprise 24 percent of the total area of the United States.

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FEDERALLY OWNED LANDS

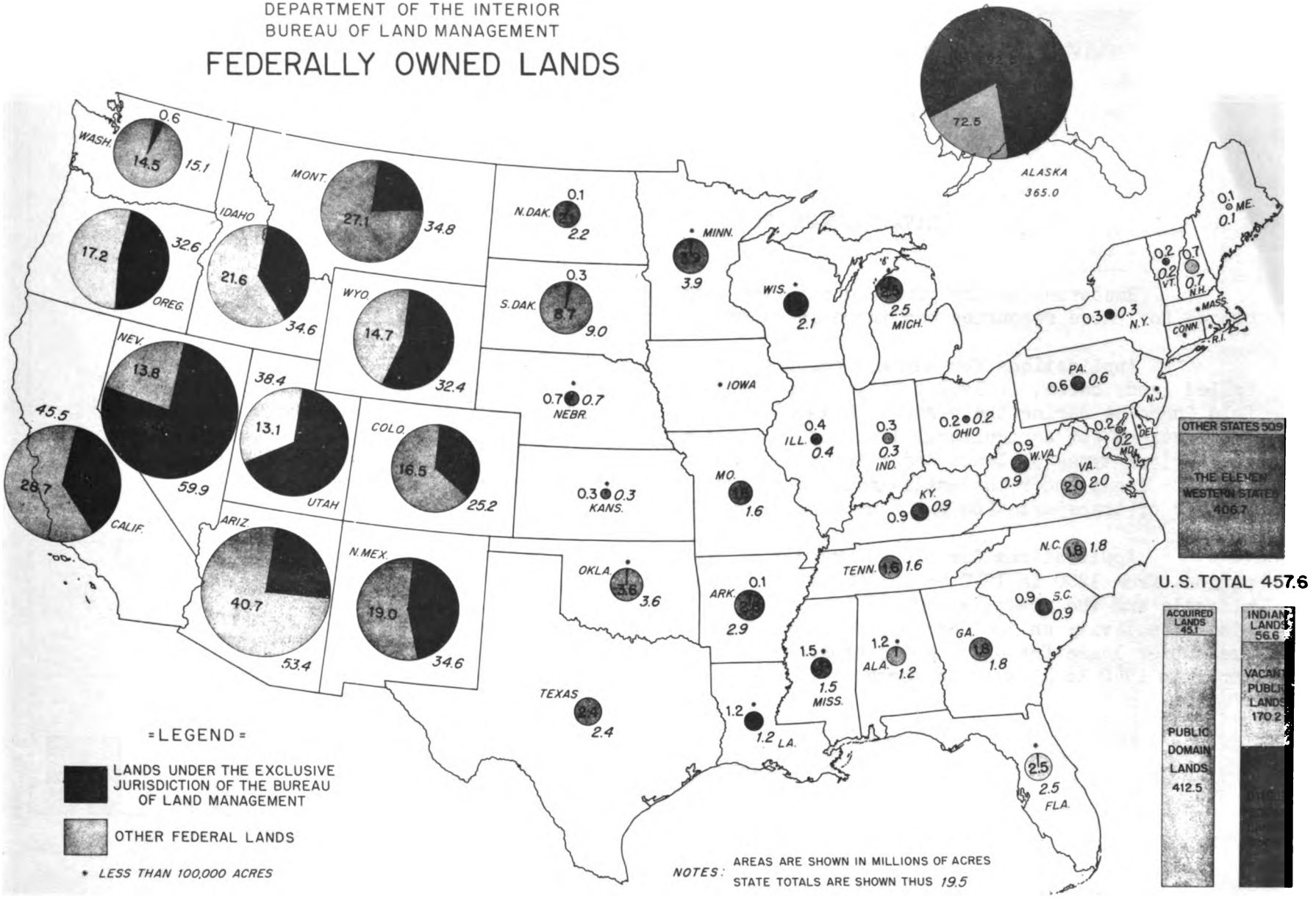

CHART BLM-W-LR-24

Interior—Duplicating Section, Washington, D. C.

PRIVATE DEMAND FOR PUBLIC RESOURCES

Resources on the public domain are developed by private enterprise. Private demand for these resources has increased manyfold since the pre-war years.

Applications for surface resources other than forage and timber, commonly called lands cases, in 1952 totalled almost 17,000 compared to 2,200 in 1940, an eight-fold increase during the period. Common types of applications in this category include applications for agricultural lands under the homestead and desert-land laws, applications for various types of lands under the public-sale laws, applications for recreational and homesite lands under the small-tract laws, and applications for rights-of-way for a great variety of transportation and communication purposes.

Applications for mineral resources increased more than tenfold during the period, from 3200 in 1940 to 32,800 in 1952, reflecting both the increased demand for minerals and the potential of the public lands under modern techniques. Principal mineral activity on the public lands involves the search for new petroleum reserves. Area under lease for oil and gas prospecting and development increased from 4.8 million acres in 1940 to 49 million acres in 1952.

BUREAU OF LAND MANAGEMENT
NUMBER OF NEW APPLICATIONS
1940, 1944, 1948, 1952

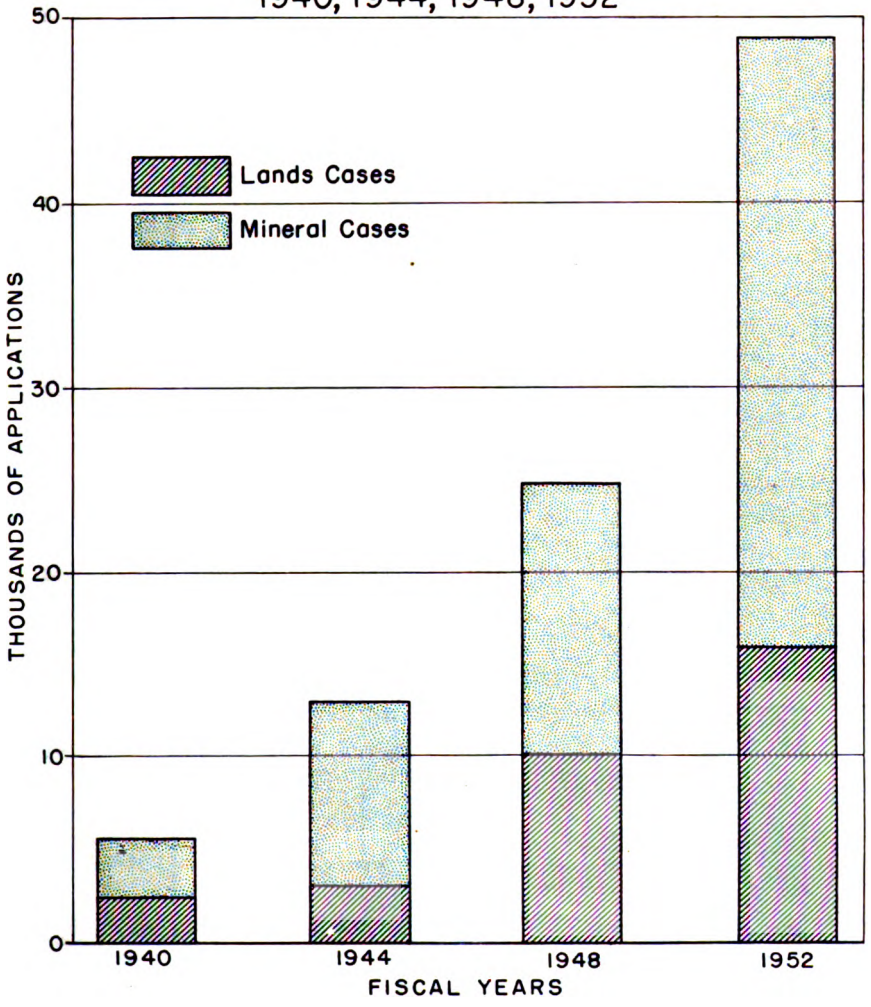

Chart BLM-W-LR-17

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BUREAU OF LAND MANAGEMENT
ACREAGE UNDER OIL AND GAS LEASE
1940, 1944, 1948, 1952

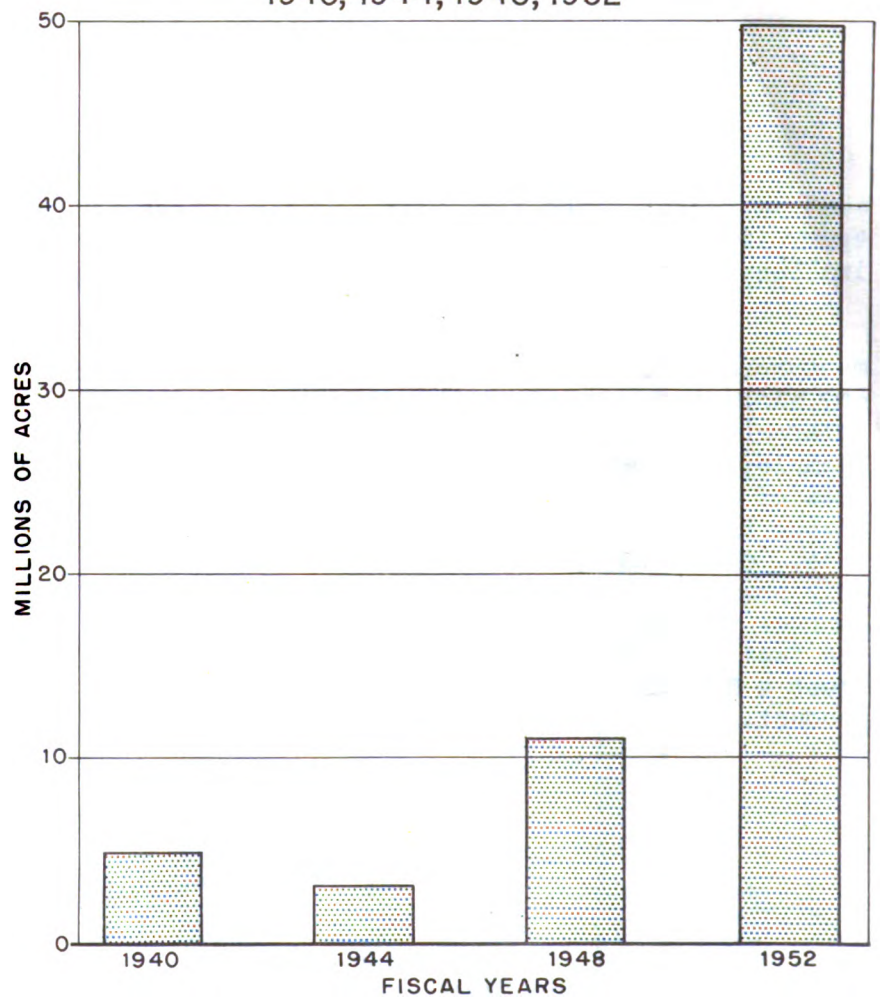

Chart-BLM-W-LR-49

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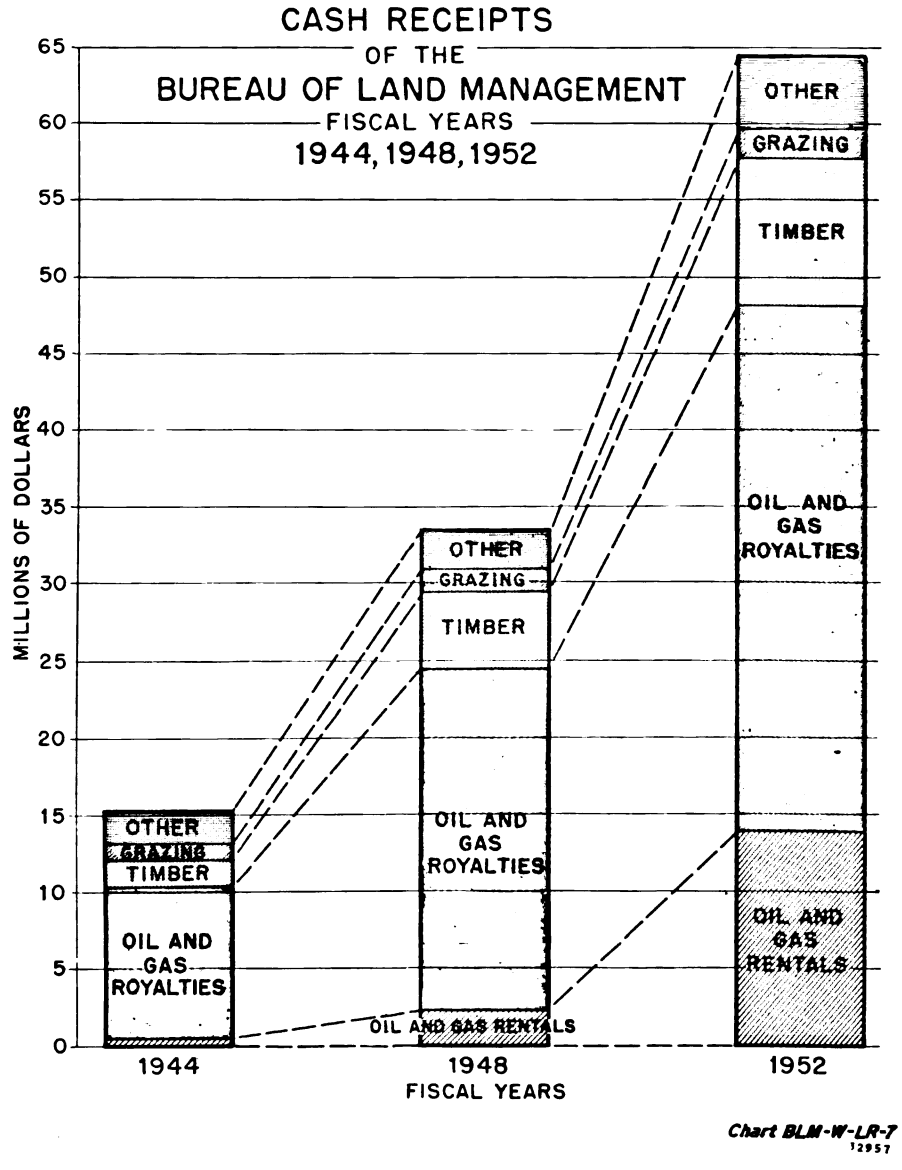
REVENUES FROM RESOURCE MANAGEMENT

Revenues of the Bureau of Land Management in recent times have been doubling about every five years. From a total of $15 million in 1944, they increased to $64.5 million in 1952.

Receipts of the Bureau are not a true measure of the value of the resources to the economy since they represent chiefly the custodial interest of the Government in the resources. For example, oil and gas royalties are generally but 12½% of the value of the mineral at the well. Timber prices are the value of the stumpage on site. Other charges are similar in nature or only nominal. The real importance of the resources to the economy as a whole follows from the fact that they represent the base for at least a $10 billion segment of the gross national product.



CASH INVESTMENTS AND CASH RETURNS

Federal investment in natural resources is large. Appropriations over a 50 year period for land and water developments by the Bureau of Reclamation totalled $2-3/4 billion by 1952. By the same year appropriations for national forests and for State and private forest activities sponsored by the Forest Service during the same 50 years approached $2 billion. On the other hand, appropriations for the vacant public lands of the United States, managed by the Bureau of Land Management, amounted to only $200 million during the lifetime of the above two agencies. This is in part due to the long delay in establishing a conservation and management program for the vacant public lands, finally begun in 1934 with the passage of the Taylor Grazing Act.

Against a total investment of almost $5 billion for the three agencies, revenues received during the period amounted to $1.6 billion. Trends in appropriations and revenues are shown in the following charts.

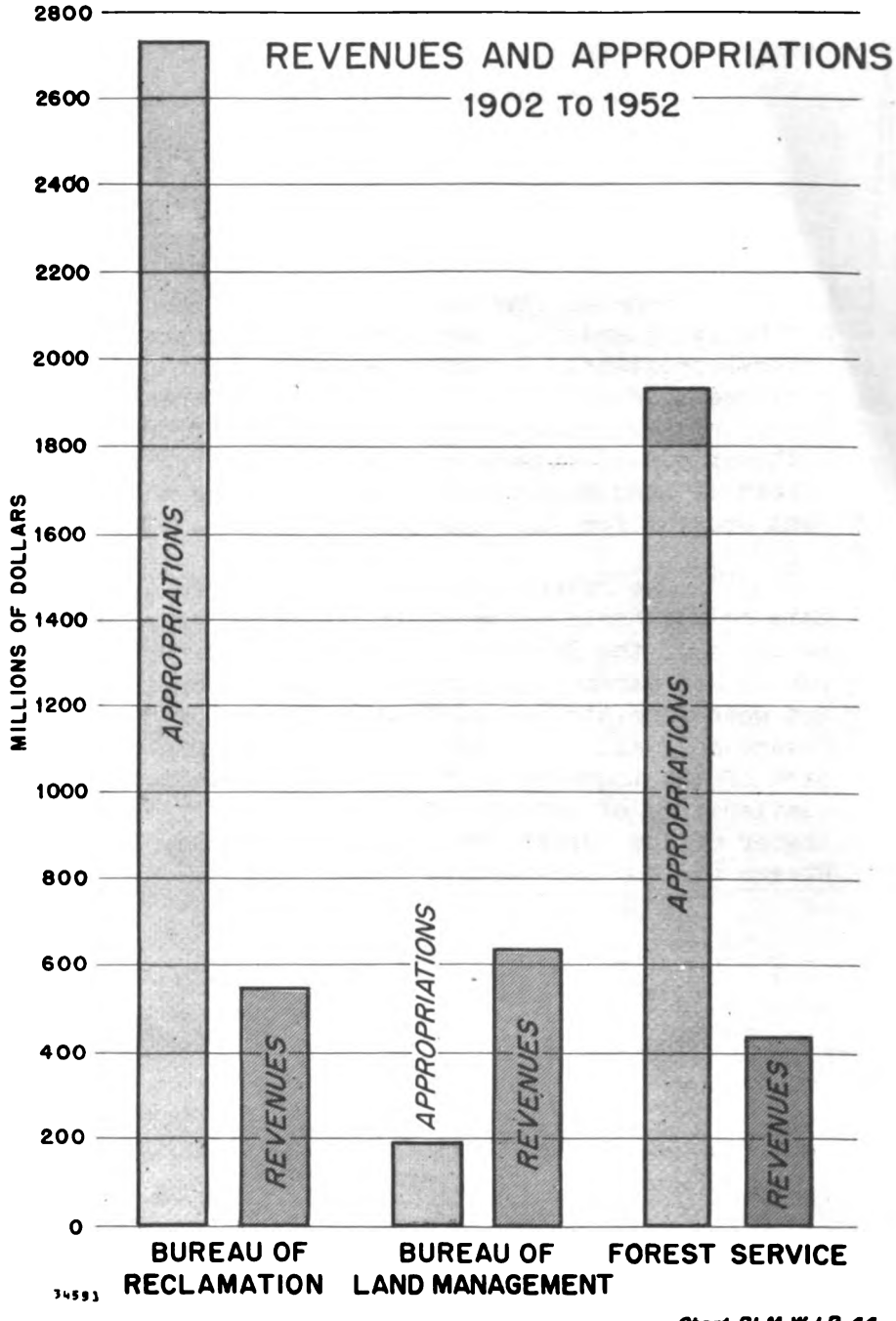


Chart BLM-W-LR-44

TRENDS IN INVESTMENTS AND RETURNS

Federal investment in natural resources increased rapidly in the 1930's after having experienced a long period of slow growth. Changes in magnitude varied among the several programs. For example, except for sharp increases during the emergency period and subsequent adjustments during the war, Forest Service appropriations have a history of fairly steady growth. Bureau of Reclamation appropriations have gyrated much more sharply with periods of extreme expansion. After a long period of decreasing appropriations, the Bureau of Land Management began receiving moderate increases after institution of the management program for the vacant public lands. The BLM curve shows slow and modest change.

The revenue curves for the three agencies follow a close pattern. Variations from this relationship occurred in the early years of the period shown. The relatively large receipts of the Bureau of Land Mangement in the earlier years resulted from land disposals (which had already declined drastically by 1920) and the enactment of the Mineral Leasing Act when receipts included collections for "past" production. Since the early '30s, revenues of all three agencies showed a rapid and closely related increase. Although part of the increase is a result of inflation, the more basic cause is the increase in the availability of natural resources--chiefly--water and power of the Bureau of Reclamation, timber of the Forest Service, and minerals, timber, forage, and other products of the Bureau of Land Management.

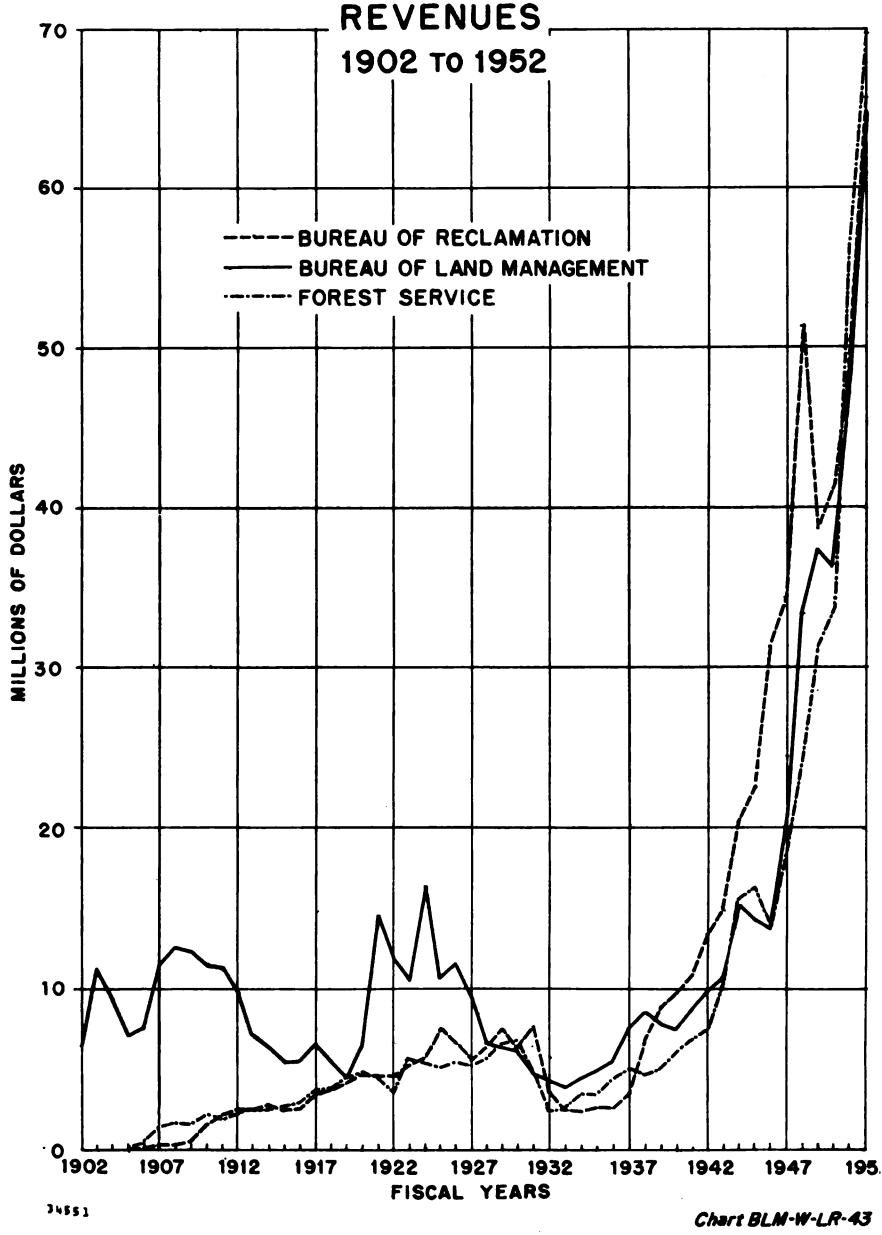


Chart BLM-W-LR-43

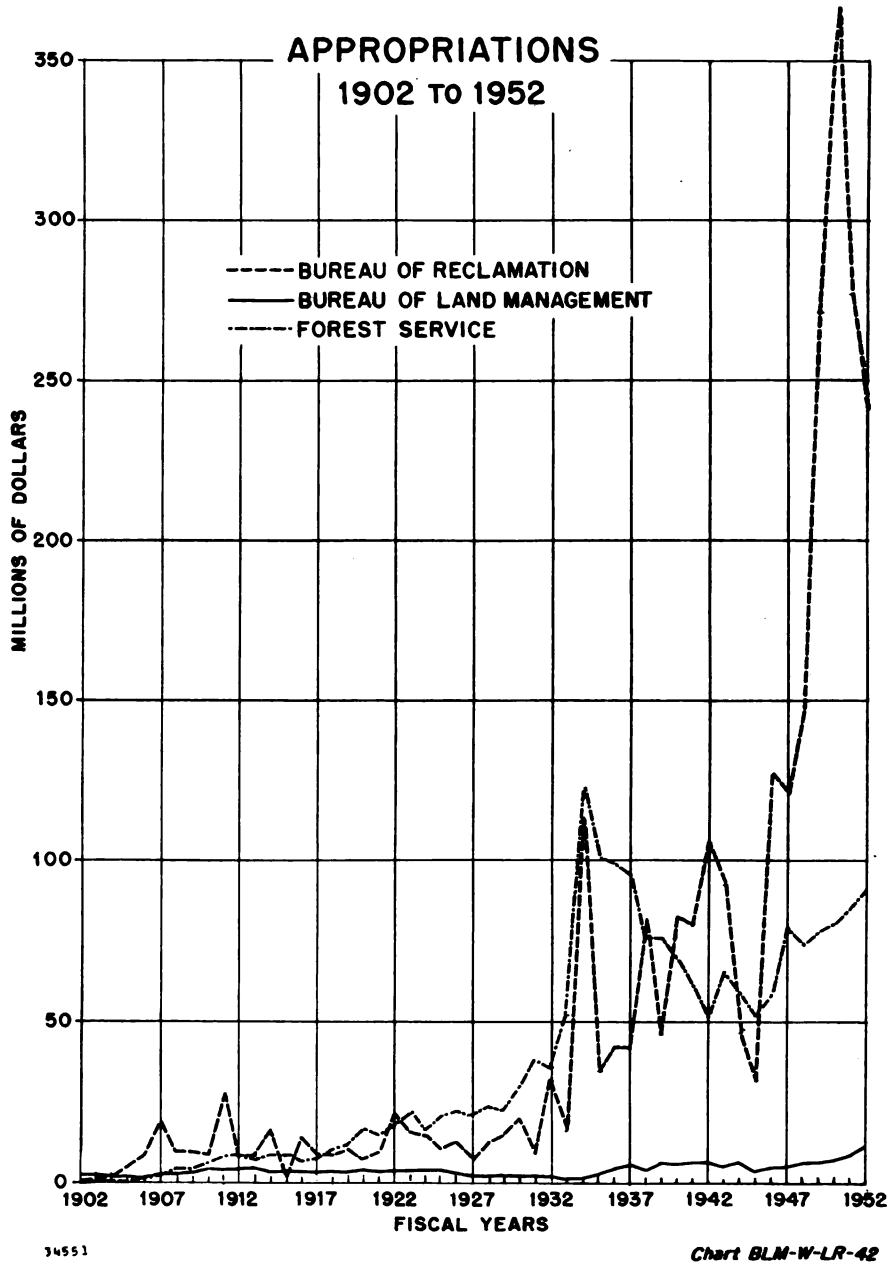


Chart BLM-W-LR-42

FINANCING THE RECLAMATION FUND

Since 1901, $1/3 billion of Bureau of Land Management receipts have been placed in the Reclamation Fund for construction of water development projects in the 17 Western States. This represents about 1/2 of the receipts of the Bureau of Land Management during the period and over 40% of the total added to the Reclamation Fund. About 2/3 of these funds were from mineral leasing revenues. The remainder was chiefly from disposals of public lands and timber.

Under the law, BLM revenues are considered to be sources of funds for administration of BLM lands in only 2 instances. 25% of "O. and C." revenues are available, when appropriated, for administration of "O. and C." lands. Range-management fees are available for range improvements on the Federal range.

PAYMENTS INTO THE RECLAMATION FUND
1901 TO 1952

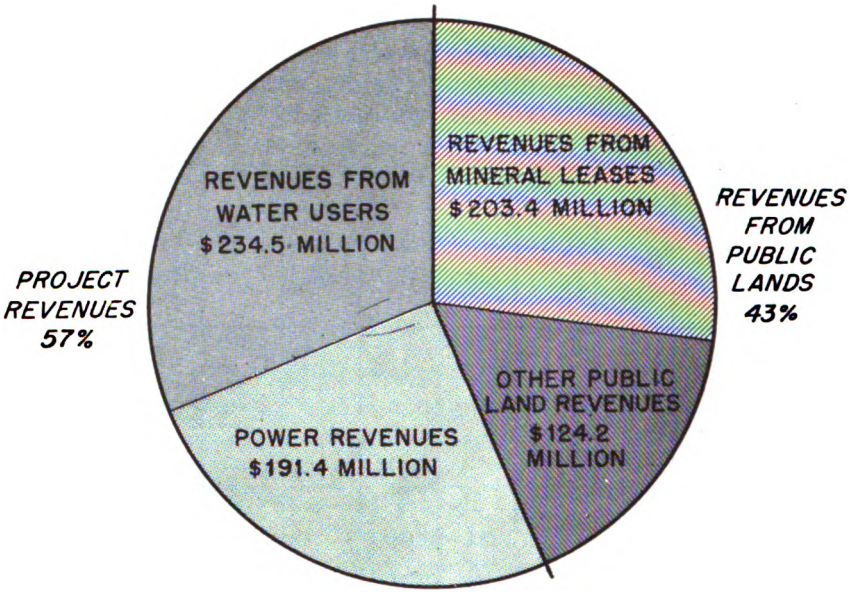


Chart BLM-W-LR-10
12957

DISTRIBUTION OF BLM RECEIPTS

Although it varies somewhat from year to year, the ordinary distribution of BLM revenues is a little less than 40% of the Reclamation Fund, a little less than 40% to States or counties, and 20-25% to the Federal Treasury. A variety of laws, passed from time to time, provide the elements for this distribution. There is no definite pattern to these laws, which include the following, among others:

Mineral Leasing Act - 52½% to Reclamation Fund
37½% to States
10% to Treasury

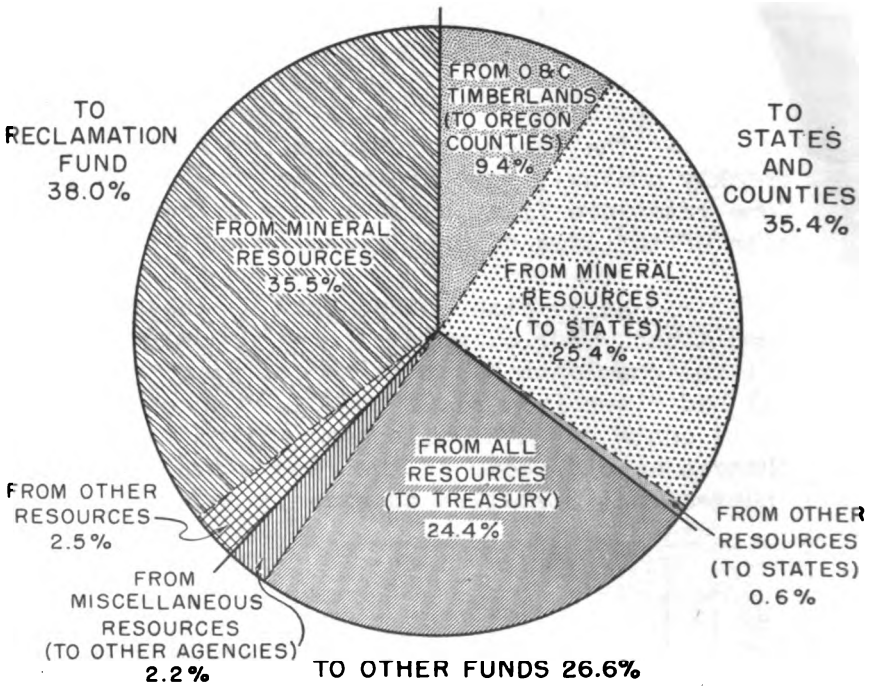
"O. and C." Act - 75% to counties
25% to Treasury

Coos Bay Act - Equivalent of local taxes to counties
Balance to Treasury

Grazing-district lands - 12½% to States
87½% to Treasury

Grazing-lease lands - 50% to States
50% to Treasury

BUREAU OF LAND MANAGEMENT
DISPOSITION OF RECEIPTS 1952



TOTAL CASH RECEIPTS $64,518,396.02

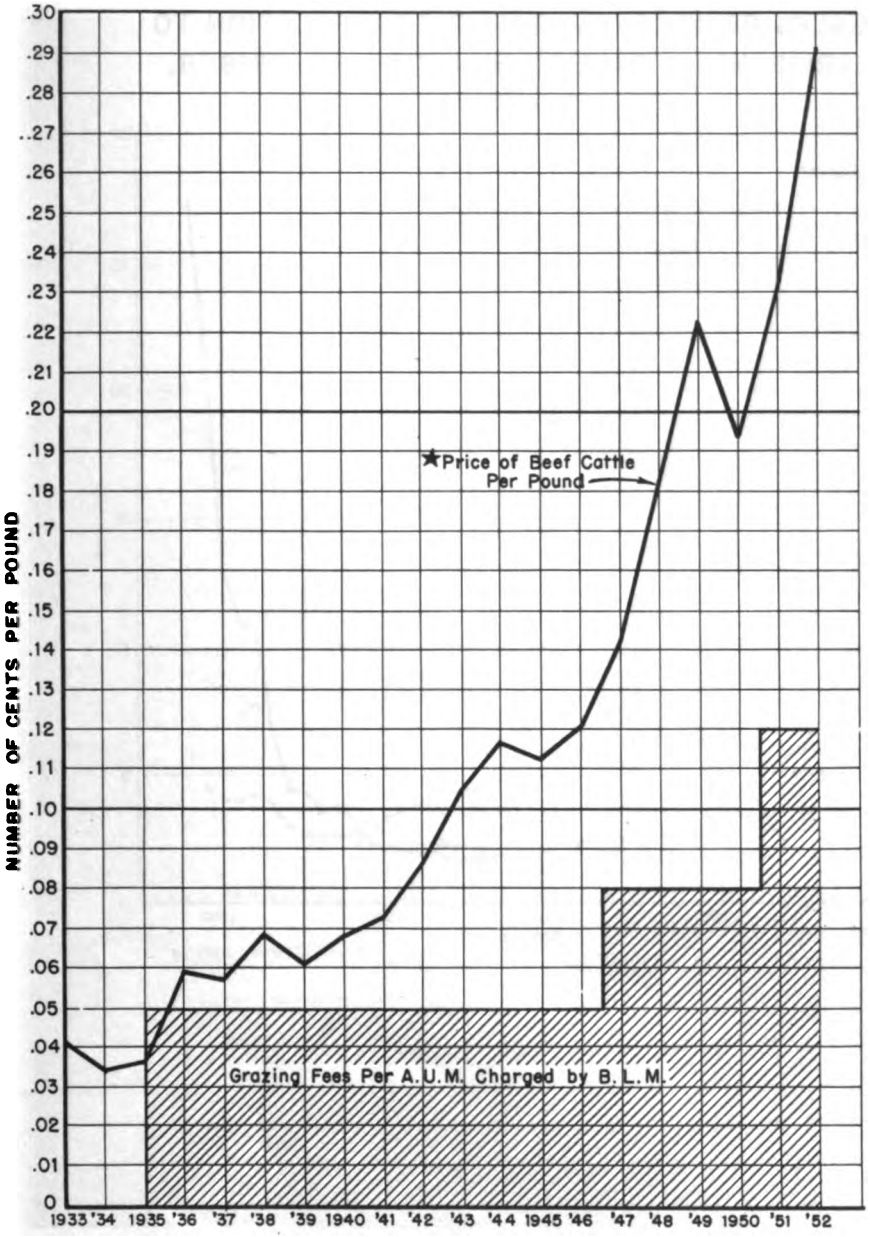
Chart-BLM-W-LR-50

CHARGES FOR PUBLIC RESOURCES

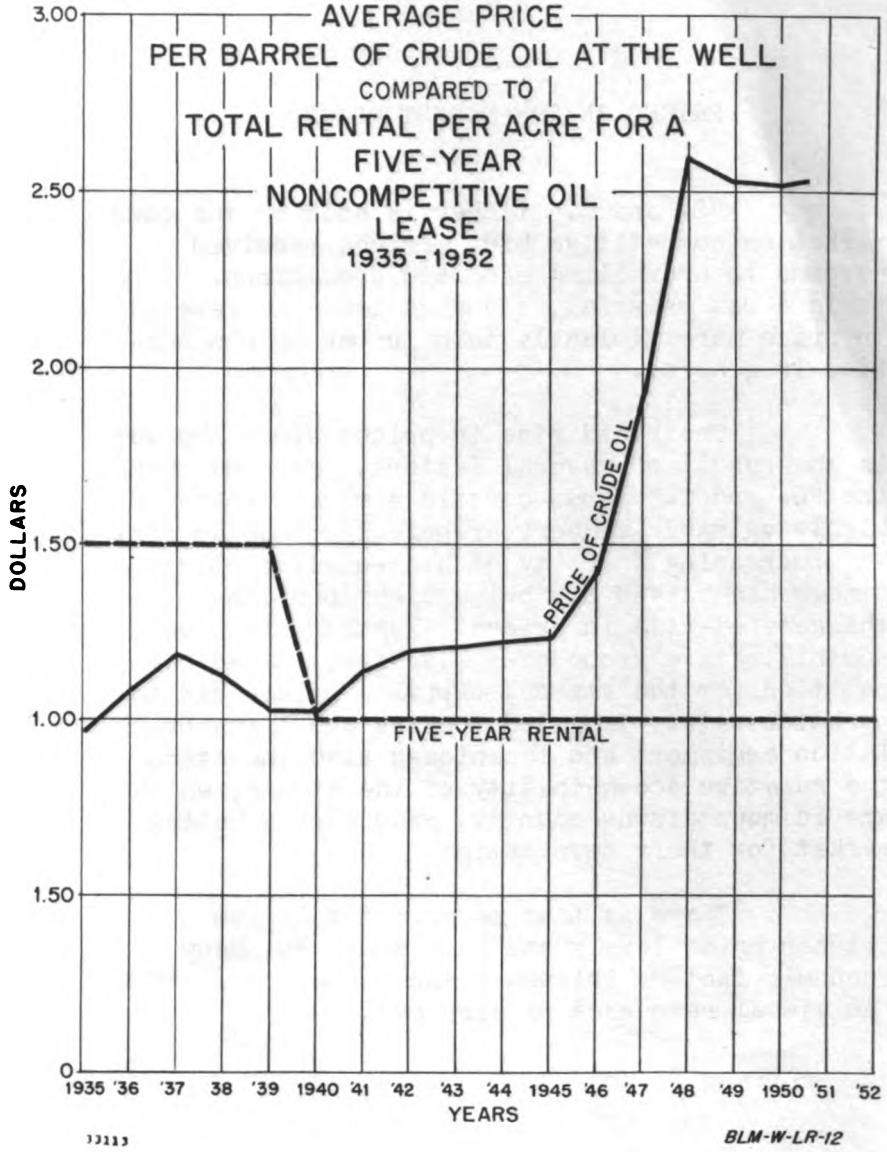
The bases for charges for BLM services and resources are varied. Some are frankly nominal, some are set as "reasonable," and some are definitely market prices. Some rates are fixed by law, some by regulation, some by custom, and some by the operation of the laws of supply and demand.

Rates fixed other than by the market tend to lag behind changes in economic conditions. For example, the total change for a 5-year non-competitive non-producing oil and gas lease has remained at $1.00 per acre since 1940 although the price of crude oil had risen from $1.00 to $2.50 per barrel. Similarly, grazing fees rose from 5 cents to 12 cents per AUM while beef prices rose from 4 cents to 29 cents per pound. Such changes as did occur in the rate structure of each of these lagged behind the price indexes that signalled changes in economic conditions.

RELATIONSHIP OF B.L.M. FEES CHARGE TO PRICE OF BEEF CATTLE



★ AVERAGE FOR THE 11 WESTERN STATES FOR YEAR PRECEDING DATE SHOWN, AS PREPARED BY B.A.E. FOR SETTING OF FOREST SERVICE FEES.



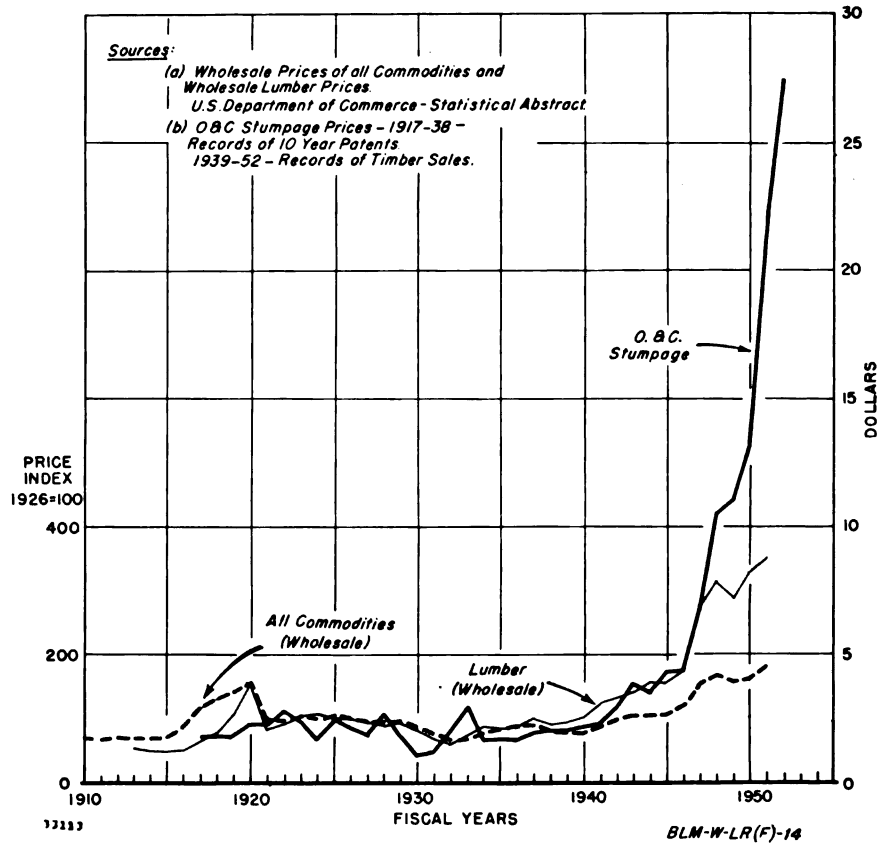
PRICES IN THE MARKET PLACE

"O. and C." timber is sold on the open market on competitive bid. Prices received respond to prevailing economic conditions. Since it is a raw material, stumpage tends to respond in price more violently than lumber or commodities in general.

The rapid rise in prices since the war is the result of several factors. For one thing, the "O. and C." lands contain a virgin stand of highly valuable timber, principally Douglas fir. The increasing scarcity of high-quality virgin timber has raised its price disproportionate to the general rise in prices. Further, improved administrative procedures have facilitated competition for the stands, carrying prices bid to market levels. Improved logging and transportation equipment and techniques also increased the relative accessibility of the stands, which are in mountainous country, producing a better market for their development.

There is thus no direct relationship between price levels and rate systems. Many economic factors influence the market price of individual resources or services.

SALES PRICE OF O&C STUMPAGE IN RELATION TO PRICE INDEX OF ALL COMMODITIES AND LUMBER, 1910 TO 1951



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